

1 A. No. Do you mean did I personally?

2 Q. Did you personally?

3 A. No.

4 Q. Did you read any cases or reports issued
5 by the FCC which discussed an applicant's financial
6 qualifications prior to filing your application?

7 A. I certainly read the instructions on the
8 application. Whether I read any cases that were
9 provided, if any were provided to me by counsel, I
10 just don't recall.

11 Q. You don't recall whether you read a case
12 or not?

13 A. I don't recall.

14 Q. The question on the form, and I read it
15 earlier that you certified yes to the 301 Form, it
16 says that you certified that "funds are available
17 from committed sources." I show you the question,
18 again, Number 1 of Section 3 to Form 301. At the
19 time that you filed the application, what was your
20 understanding of the meaning in that sentence of
21 "funds are available from committed sources"?

22 A. I understood that that meant either I had

1 the money or that someone had promised to provide
2 that money to me.

3 Q. Did you have any understanding that,
4 assuming you were relying on a promise, that the
5 commission had any requirements as to whether or not
6 that promise had to be in writing?

7 A. Yes. I read the instructions and I read
8 them very carefully, and my understanding from the
9 instructions were that if the funds were going to be
10 provided by a bank or lending institution, and
11 whatever else they list there, then the commitment
12 needed to be in writing, and my understanding was
13 that if the funds were to be provided by an
14 individual, that the promise did not have to be in
15 writing.

16 Q. Did you seek to verify that understanding
17 that you have just described with anyone?

18 A. Yes.

19 Q. Prior to filing the application, did you
20 specifically discuss with Mr. Dailey what collateral
21 or security he would require from you should he make
22 the loan for your construction and operating costs?

1 A. I understood it to mean that he had given
2 me a promise to provide the funds and that he had
3 satisfied me that he was capable of providing the
4 funds.

5 Q. Let me get back to the copy we were on
6 before the break. Sitting here today, how much
7 money do you have available either from your own
8 resources or from other committed sources to
9 construct and operate for 3 months the El Rio
10 station?

11 (Witness pursuing document.)

12 MR. MILLER: Let the record reflect
13 what the witness is looking at.

14 THE WITNESS: I am looking at my
15 petition for relief to amend.

16 MR. THOMPSON: August 30, 1993,
17 petition to amend.

18 THE WITNESS: Given the changes that
19 may have occurred in my net worth since the filing
20 of the amendment, as I have not done a financial
21 statement since then, \$151,210.

22 BY MR. MILLER:

1 Q. Is any of that coming from a person or an
2 entity other than yourself?

3 A. Yes, Mr. Dailey.

4 Q. How much is Mr. Dailey going to provide to
5 you?

6 A. He is committed to provide \$40,000.

7 Q. Do you have any intention of forming a
8 corporation should you be successful?

9 A. A present intention?

10 Q. A present intention. Do you plan to
11 operate the station as a sole proprietorship or a
12 corporation or some other entity?

13 A. I don't know.

14 Q. Do you have any arrangement with any other
15 person to act as an employee of your station should
16 you be successful?

17 A. No.

18 Q. Have you discussed possible employment
19 with anyone?

20 A. Not in any serious way, no.

21 Q. You mentioned a few times that you were
22 contemplating purchasing a station. Had you

1 Q. Has anyone lent or given you any funds for
2 payment of your expenses in connection with your
3 application?

4 THE WITNESS: I am sorry. Could you
5 repeat the question?

6 (Last question read as follows:
7 "Q. Has anyone lent or given
8 you any funds for payment of
9 your expenses in connection with
10 your application?")

11 THE WITNESS: No.

12 BY MR. MILLER:

13 Q. Do you have any arrangements with anyone
14 other than Mr. Dailey to supply you with funds in
15 connection with your application?

16 A. No.

17 Q. Are you a partner at Breed, Abbott?

18 A. No.

19 Q. Do you specialize in a particular type of
20 law?

21 A. Litigation.

22 Q. Can you be more specific? Criminal?

DAILEY'S 1991 BALANCE SHEET

EXHIBIT B

Joseph P. Dailey
Financial Statement
November 30, 1991

Personal Information

Social Security..... 179-84-8445
Address..... 565 Peralta Hills Drive
Anaheim, California 92807
Telephone..... (714) 282-1170 (Home)
(714) 640-5426 (Office)
Occupations..... Attorney
President
RunTime Technologies, L.P.
610 Newport Center Drive, Suite 600
Newport Beach, California 92660

Assets

Peralta Hills Home (Appraised Value).....	\$1,600,000
Cash	\$218,000
Partnership Profits	\$230,864
Salary Receivable.....	\$50,000
Partnership Inventory Interest	\$150,368
RunTime Technologies Investment At Cost.....	\$420,000
Personal Property.....	\$250,000
Automobiles.....	<u>\$20,000</u>
Total.....	\$2,939,232

Liabilities

Mortgage Debt.....	\$975,000
Bank Loans.....	\$44,970
Notes Payable.....	\$0
Income Taxes Payable.....	\$0
Charge Accounts Payable.....	<u>\$0</u>
Total.....	\$1,019,970

Net Worth..... \$1,919,262

CERTIFICATE OF SERVICE

I hereby certify that on this 23 day of December, 1993
a copy of the foregoing document was placed in the United States mail,
first class postage prepaid, addressed to the following:

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